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## NATIONAL SECURITY COUNCIL

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September 20, 1976

MEMORANDUM FOR BRENT SCOWCROFT

THRU:

WILLIAM G. HYLAND LLCC

FROM:

WILLIAM H. GLEYSTEEN 4

SUBJECT:

Taiwan's Future Relations with the U.S., USSR

and PRC

I think it would be worth your while to skim the following summary of comments by senior ROC officials on Taiwan's future relations with the United States, the Soviet Union, and the PRC. On the basis of personal acquaintance, I find the comments quite plausible -- though I should point out that the ROC officials were talking to a foreigner (perhaps Bob Scalapino) and probably knew that their remarks would be reported to us.

## ROC Estimates of the Likelihood and Consequences of Normalization

ROC Foreign Minister Shen and others believe that normalization of U.S.-PRC relations will probably not take place for some time, if at all, both because of political uncertainties on the mainland (making negotiations difficult) and because of a shift in American public opinion over the last three years towards greater concern for the security of Taiwan.

Although there were denials that any detailed thinking had taken place about the shape of post-normalization relations with the U.S., it was evident that the "German formula" (one China, two governments) is looked on with favor. (Discussion of the "German formula" has made its way into the Taiwan and U.S. press from time to time in recent months, quite obviously not by accident.)

Several of the officials predicted that normalization would do irreparable damage to the Taiwanese economy and indicated this view was shared by

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Premier Chiang Ching-kuo. They pointed to a number of specific technical and legal problems which would develop in maintaining our trade and investment links. (The American Chamber of Commerce in Taipei has sent us a remarkably similar list.) Eventually, the ROC officials told their interlocutor, this would lead to erosion of confidence in the Taipei government.

All officials seemed to discount the likelihood of an immediate military threat against Taiwan by the PRC. The Foreign Minister also dismissed as "totally impractical" Senator Scott's proposal for direct ROC/PRC negotiations.

Regarding a possible Taipei-Moscow link, the Foreign Minister and others said that consideration had been given to establishing some relations with the Soviets, but that on balance it was felt this might give the U.S. an excuse to abandon Taiwan and the idea was dropped. (Chiang Ching-kuo has been quoted in the past as vehemently opposing a deal with Moscow.) However, they left the impression that once normalization occurs, Taipei may feel free to change its mind.

The report suggests that the same holds true for a nuclear option.

That is, although U.S. restrictions are currently too tight for the ROC to develop a nuclear capability, once the U.S. is no longer able to exert a controlling influence over developments in Taiwan, Taipei might reconsider. (Given other information we have, it is evident that this protestation of foregoing a nuclear option altogether was somewhat disingenuous at least as far as developing technical/scientific capability is concerned.)

The Foreign Minister and former Foreign Minister Chou Shu-k'ai indicated that they would give increased attention to Taiwan's relations with Japan.





















